

Selecting the best performing online marketing communication channels to an international start up Eve

Konstantinos Karatsevidis

Bachelor's thesis
BITe
2016



Degree Programme in Business Information Technology

Authors Konstantinos Karatsevidis	Year of entry 2012
The title of your thesis Selecting the best performing online marketing communication channels to an international start up Eve	Number of pages and appendices 53 + 1
Supervisors Jarmo Peltoniemi <p>In today's technologically advanced world online marketers are constantly faced with ever-growing challenges of running successful marketing campaigns. The problem that most of digital marketers face is the overwhelming amount of marketing tools and channels available to them.</p> <p>"How to select which channel to focus on?", "Should we invest in viral marketing or social media ads?", "What's the next big thing in marketing?" Those are the questions marketers face every day.</p> <p>This Bachelor's thesis that was conducted for rapidly growing international Finnish start up Eve-Tech helps to answer those questions. The thesis is written in a form of action research in which the researcher is a marketing executive in Eve.</p> <p>The researchers goal in this thesis is to help Eve-Tech find an online marketing channel that provides the most amount of website visitors. The reader would be able to follow the steps of the researcher in his pursuit in finding the most effective online marketing channels.</p> <p>In this thesis you will be able to learn about latest developments in marketing such as Viral, content marketing, SEM, SEO and other trending channels. In this research all of the most popular online marketing channels are first analysed and then 3 most appealing channels are selected and the series of tests with the purpose to find the most effective one are conducted.</p> <p>Results of this research are surprising and had a remarkable positive footprint on Eve-Tech as an organisation.</p>	
Key words Online marketing, action research, Facebook Ads, viral marketing, PR, tech start-up	

Table of contents

1	Introduction	1
1.1	Case company Eve-Tech Oy.....	2
1.2	Purpose, aim and research topic	2
1.3	Research problem and investigative questions	2
2	Theoretical Framework.....	4
2.1	Marketing.....	4
2.1.1	Target Audience and Target Markets.....	4
2.1.2	Brand and Offering.....	5
2.1.3	Types of media: Paid, Earned and Owned	5
2.2	Online Marketing.....	6
2.2.1	Online marketing communication channels	6
2.2.2	Viral Marketing.....	7
2.2.3	Public Relations	8
2.2.4	Search Engine Marketing.....	8
2.2.5	Social and Display Ads.....	10
2.2.6	Search Engine Optimization	12
2.2.7	Email Marketing	12
2.2.8	Content Marketing.....	13
2.3	Online marketing campaign process.....	13
2.3.1	Setting up the goal.....	13
2.3.2	Defining offering being promoted in the campaign.....	14
2.3.3	Target audience.....	14
2.3.4	Carrying out the website audit and establishing the baseline.....	14
2.3.5	Selecting and testing marketing communication channels.....	14
2.3.6	Measuring results	15
3	Research Methodology	16
3.1	Action Research.....	16
3.1.1	Action Research cycles.....	17

3.2	Research Design.....	19
3.3	Data collection.....	21
4	Results.....	22
4.1	Business need and goal.....	22
4.2	Analyze	23
4.2.1	Market summary and target audience.....	23
4.2.2	Market segmentation.....	23
4.2.3	Market Needs and Eve’s offering.....	27
4.2.4	Campaign key communications.....	35
4.2.5	Establishing a baseline	35
4.3	Plan.....	37
4.3.1	Selecting online marketing channels.....	37
4.3.2	Developing action plan.....	37
4.4	Execute.....	39
4.4.1	PR.....	39
4.4.2	Viral online contest.....	40
4.4.3	Facebook Ads.....	43
4.5	Evaluate.....	44
4.5.1	PR evaluation.....	44
4.5.2	Viral contest evaluation.....	45
4.5.3	Facebook Ads evaluation.....	46
5	Conclusion	47
5.1	Key Findings and Validity of Data	47
5.2	Recommendations on improvement for Eve-Tech.....	49
5.3	Personal learning and the importance of results.....	49
	Bibliography.....	51
	Attachments.....	54
	Attachment 1. Press pitch.....	54

1 Introduction

Nowadays companies of all sizes around the world are heavily investing in online marketing as a way to reach more consumers in more cost-effective and personal ways. The young generations of people around the world are growing immune to traditional marketing approaches from past century in which organizations had to heavily sell their products. (Kotler & Keller, 2015, 637-639; Jobber David and Ellis-Chadwick, 2012, 12-13.)

The marketing approach is shifting from one-way conversation to an open dialogue between organizations and consumers. As a result most of the organizations are in the process of rebuilding their outdated marketing communication channels in new, more transparent and mobile user friendly ways. (Olivier Blanchard, 2011, 2-5; Andrew Chen, 2012.)

Maturity of social media and increase in popularity of various technologically sophisticated marketing tools and approaches force marketers to rethink the way they work (Ryan Holiday, 2014, 17). This thesis is written to explore various possibilities possible in today's technologically advanced marketing world. The thesis is written by a Business Information Degree Programmed student who is exploring the most effective marketing channel for a young but rapidly growing Finland based international start-up Eve-Tech Oy that played the role of commissioning party in this research. This chapter tells about the case company, purpose, aim and research problem of this thesis. (Dave Chaffey, 2012.)

1.1 Case company Eve-Tech Oy

Eve-Tech Oy (later also “Eve”) is a Finnish technology start-up headquartered in Helsinki. Eve was established in 2014, it aims for growth, and the company is currently in the development of its second product. The first product of the newcomer technology manufacturer was Eve T1, an 8-inch Windows -tablet that offered an extremely competitive price-to-value ratio which was praised for example by the leading Finnish start-up media site Arctic Start-up (Arctic Startup, 2016). The device was well received and served as a valuable learning experience for Eve’s team. The ability of team to get a gadget produced was validated, and the ins and outs of the Chinese manufacturing ecosystem were acquainted with.

As said, currently Eve is developing its next device, codenamed “Pyramid Flipper”. The product relies on crowd-building with users in the company’s proprietary online community <http://eve.community>. As Eve is preparing for the launch of the Pyramid Flipper, marketing will be a key to the development of the start-up’s brand and the consequential product awareness out there online, as well as of course the growth of (potential) customer base.

1.2 Purpose, aim and research topic

Purpose is to run an online marketing campaign using some of the most popular marketing distribution channels and seeing what channels drove the most relevant traffic and which channels drove the least. The aim of the research is to discover traffic source that has highest conversion rate and traffic volume at the lowest cost. Performance will be measured by raw data provided by SimilarWeb and Google Analytics explained in more depth in chapter 3.3 of this thesis.

1.3 Research problem and investigative questions

According to Coghlan & Teresa Brannick (2009, 14) action research requires holistic understanding of the organization and its environment as well as researcher’s interest and competence on the subject. In addition there must be a relevant need for change in the organization for the research to be carried out. The need can be coming either from external environment such as global market demand or from internal environment such as funding gaps, missed sales goals, etc.

As a marketing executive in the case company I have a good understanding of overall organizational processes and goals. I am also very interested in the subject as it goes hand in hand with my career choice. Eve Tech is experiencing internal need of growing its email subscribers list of its target audience users to 20,000 subscribers without overinvesting in marketing. The above mentioned number of subscribers is needed to successfully run presales campaign. Current Eve Tech's website traffic and conversion rate are the bottleneck of reaching the above mentioned goal and will be discussed later in the situational analysis part of this research. Consequently research and investigative questions have been formulated in a way that would allow me as an action researcher to carry out experiments needed to set Eve on track of reaching its subscription goals.

Target audience is provided by Eve and it's critical that it's not just traffic but relevant traffic.

Research Problem: What are the online marketing channels that provide most traffic for Eve-Tech?

2 Theoretical Framework

Before delving deeper into the empirical part of the research it is crucial to review existing literature on the topic. Literature review is needed to reflect on the topic from various perspectives, further refine the research problem and see various controversies surrounding the topic. Consequently, allowing to ground research in existing work in order to open the doors to researcher's contribution to the field. (David Coghlan & Teresa Brannick 2009, 126).

This chapter starts by explaining the fundamentals of online marketing and its differences with offline marketing. It also covers process of creating and running an online marketing campaign from start to finish in depth. Later this chapter will tell about various marketing channels used to reach the target audience. Also this chapter will explain technical terms such as conversion rate and website traffic.

2.1 Marketing

One of the shortest and most effective definitions of marketing is “meeting needs profitably”. Marketing key goal is to identify and meet individual needs. In an organisation marketing is a process of choosing target markets and getting, keeping, and growing customers through establishing, providing and communicating superior marketing customer value (Kotler & Keller, 2015, 27).

Marketing is one of the major organizational processes and it is widely used throughout the organization in key revenue generating processes such as sales. Also it is widely used in the product development with the goal of understanding the needs of the customer and designing product with them in mind. Value (Kotler & Keller, 2015, 29).

2.1.1 Target Audience and Target Markets

People have different lifestyles, problems, needs and tastes. As a result marketers distinguish different segments of buyers by demographic, psychographic and behavioral differences.

- ▽ Demographic segmentation involves segmenting based on age, income, marital status, gender, education, family size.
- ▽ Psychographic segmentation focuses on segmenting your market based on various personality traits such as values, attitudes, interests, and lifestyles.

- ∇ Behavioral segmentation divides the market into groups based on their knowledge, attitudes, uses and responses to the product.

Later companies decide which segments present best opportunity. Segments with most opportunity that are selected are called target markets and they are approached by different strategies. Target audience is a narrower definition of target market and is used in describing advertisement targeting. Target audience is the audience for certain marketing campaign or advertisement is targeted. Each target audience has its unique and distinctive set of characteristics such as age, gender, average time spent online. (Kotler & Keller, 2015, 121-135.)

2.1.2 Brand and Offering

Customer needs are addressed by the unique value proposition, benefits that meet those needs. The value proposition is intangible by nature and made physical by an offering, which is essentially a product. (Kotler & Keller, 2015, 32).

A brand represents an offering from a known source, a promise from an organisation to a consumer. Brands bear various associations in people minds and companies of all size strive to build a strong brand image that appeals to their customers. (Kotler & Keller, 2015,32).

2.1.3 Types of media: Paid, Earned and Owned

As the key goal of marketer is to satisfy the needs of the customer by providing offering, it is crucial for customers to interact with a company to be able to find out about offering, make a decision and later acquire goods offered by a company. Companies interact with users by communications. There are three categories of communication options. (Kotler & Keller, 2015,32).

1. Paid media – includes magazines, radio, TV, Display, online and offline ads, paid search and sponsorships all of which let companies show their brand for a fee.
2. Owned media – include channels that company owns like the website, Facebook page, Car, brochures, blogs.
3. Earned media – includes the press and other outsiders that voluntarily discuss the brand and expose it to others via word of mouth, viral marketing and buzz.

With incredible penetration of the internet earned media has become a popular way to decrease paid media expenditures for many companies. (Kotler & Keller, 2015,32).

2.2 Online Marketing

In today's internet driven world more and more often marketing communications occur as a personal dialog between organisation and an individual. Today marketplace is very different from a decade ago. Technology has affected companies in staggering ways. With the rapid rise in e-commerce, Mobile internet use and social media online marketing is becoming one of the fastest developing marketing channels. Online Marketing communications are communications conducted online. (Kotler & Keller, 2015,637-638.)

2.2.1 Online Marketing communication channels

In online marketing target markets can be approached using 7 main online communication channels. The communication channels are:

- ▽ Viral Marketing
- ▽ Public relations
- ▽ Search Engine Marketing
- ▽ Social and Display Ads
- ▽ Search Engine optimisation
- ▽ Content Marketing
- ▽ Email Marketing

(Justin Mares & Gabriel Weinberg, 2014, 3-8.)

2.2.2 Viral Marketing

Viral marketing is the process of making users refer the company to other users. It essentially means that every user has to bring one more new user. It is a growth channel for many well know internet companies like Facebook, Tweeter, LinkedIn, etc. The key process in viral marketing is the viral loop, a three step process.

1. Exposing user to the product
2. User lets other users know about the product
3. Those potential users like the product and become users themselves

There are various reasons for users to refer new users to existing product. Sometimes products have inherent virality which means that you can extract value from the product by having other users use it. In other words, product has to have the user base in order for users to be able to use it. The oldest and most organic form of virality is the word of mouth that occurs when users enjoy the product so much that they share it with their social circles. Some products have virality aspect in product communications. A good example of that would be “Send with Google Mail” used by google as a default signature in new users emails. Most often companies that don’t have virality as an inherent part of their product incentivize users to tell other users about company’s offering. Cloud storage company drop box gives free storage to users who invite other users to use Dropbox. (Jonah Berger, 2013, 25-30; Justin Mares & Gabriel Weinberg, 2014. 49-63.)

In order to be able to track the efficiency of the viral marketing and understand whether viral is applicable for the company’s products the following formula is used. The formula is called viral coefficient and it calculates the number of users that each new user brings in.

The viral coefficient formula is:

$$K = i * \text{conversion percentage}$$

Where K is the viral coefficient, i is the number of invites send by each and every user and conversion percentage is the number of people who become users after receiving an invitation. (Justin Mares & Gabriel Weinberg, 2014. 51-52.)

In order to understand the efficiency of viral marketing efforts in addition to the viral coefficient viral loop time needs to be understood. As mentioned before viral marketing goes in

loops where each loop generates more and more users. Viral loop time indicates the amount of time it takes a user to go through a viral loop. (Justin Mares & Gabriel Weinberg, 2014. 58-60.)

To sum it up the more users each user refers in a shorter period of time the more efficient the viral strategy is.

2.2.3 Public Relations

The key idea behind public relationships is to create exposure for the client for free comparing to marketing. Main distribution channels for PR are tv, news, online magazines and blogs. PR is a popular channel amongst start-ups due to its low cost and big potential for visibility and awareness increase. (Ryan Holiday, 2013, 20)

Some companies use unconventional PR to get exposure in which instead of contacting press and media with a pitch companies try to perform a public stunt that would attract attention. Good example is Richard Branson's, CEO of Virgin Group, product Launches in which he dresses up as women or drives through New York square in a tank. (Justin Mares & Gabriel Weinberg, 2014. 63-73.)

2.2.4 Search Engine Marketing

Search engine marketing often called SEM is essentially the process of running ads through search engines like Google, Bing and others. Typically advertisers are charged per click. SEM is a feasible and effective strategy for companies of all sizes although it does not fit every business. (Justin Mares & Gabriel Weinberg, 2014. 85-86.)

The main advantages of SEM is the ability to create a sustainable and a scalable way to attract users to the website. SEM is used commonly to discover what ads and messaging work best with the target audience. Key metrics in SEM that allow to establish efficiency of this channel are:

CTR - Click through rate is the amount of impressions that convert to clicks

CPC - Cost per click is the amount it costs to pay to click an ad. It's the max amount you are willing to pay to get user to your site

CPA - Cost of acquiring a customer not just a click

$CPA = CPC / \text{conversion percentage}$

(Justin Mares & Gabriel Weinberg, 2014. 86-89.)

2.2.5 Social and Display Ads

Banner ads are the most popular ads you see on the web. A lot of brands pay billions to push brands to consumer minds. Social media ads are becoming massively popular recently.

Display Advertising

Display ads are the ads run by the display networks and are generally used the same way as real world offline posters and billboards to build brand awareness. Those networks have massive inventory of ad space that can be used on all kinds of websites. There are different types of Display ad providers: (Justin Mares & Gabriel Weinberg, 2014, 97-104.)

1. Large Ad Networks

Good example is Google's ad network, Advertising.com, TribalFusion are among the biggest ones. Each of these networks have access to sites that generate hundreds of millions of monthly visitors.

2. Niche Ad Networks

Are very limited to certain users like Apple fans. They are very effective at targeting certain audience.

3. Direct Ads

Are based on approaching ad publisher directly such as a small niche blog or a big online magazine.

When starting out a display ad campaign it is crucial to see what similar companies or competitors are doing in that space to limit initial targeting options. (Justin Mares & Gabriel Weinberg, 2014, 100-103.)

Social media ads

Social media ads are advertisements that are run in social media platforms. While display ads work well for demand harvesting in other words for people who are right now looking for a

certain item and would like to buy it while Social Media ads work well for demand generation as they appear while users are spending time in social media and create demand. Good social media ad should not be intrusive or seamy as users go to social media to hang out and spend time. (Olivier Blanchard, 2011, 110-125.)

Instead of directing users to buy it is better to explain why your company started or why you are doing this product and why it's better. Have a different purpose than completing a sale. Major social sites are: (Justin Mares & Gabriel Weinberg, 2014, 102 -105.)

- ▽ **LinkedIn** - This social network consists of over 250 million people. The key audience there is business oriented. LinkedIn ads allow targeting by job title, salary and other business demographics.
- ▽ **Twitter** - is another social network with approximately 250 million users. Twitter ads appear as sponsored tweets. Also there is a possibility to capture emails with it. It is especially effective to advertise there around big real time events.
- ▽ **Facebook** - has over 1 billion users and it offers a lot of targeting possibilities to companies based on age, demographics, etc.
- ▽ **Reddit** - is a big online community focused around content. It is one of the most popular content sites in the world. Ads appear as sponsored links on the top of the page. Successful ads are either controversial, surprising or funny as they result in discussions and up votes which define their popularity.
- ▽ **Youtube** - is the largest video site in the world with very wide demographics of users. Ads appear before the video the user has searched for is played

Despite the fact that Display and Social advertising are different types of marketing they follow comparable principles. Companies using them should aim to understand their audience interests and way of spending time to effectively target advertise to them.

2.2.6 Search Engine Optimization

Search engine optimization is a process of improving company's ranking in search engines such as Google in order to get more visitors to the website. SEO is deeply connected to high quality content. SEO typically starts with a content strategy and as a creator of that content company needs to make sure that it will be discoverable. SEO can also amplify effect of other traction channels such as unconventional PR, PR and Social media ads. The higher quality links company and its keywords have associated with them the higher they rank. It is important to understand search engines logic of providing most relevant results for you. Consequently, websites that are having larger traffic and have a lot of links directed to them appear as more credible and rank higher. (Justin Mares & Gabriel Weinberg, 2014, 121 -133.)

There are two major strategies used in SEO channel

Fat Head SEO strategy - in which companies try to rank for word directly associated with them or their products. Keywords that are part of Fat head strategy have tremendous monthly search volume in millions. As if Eve would rank for laptop keyword (Justin Mares & Gabriel Weinberg, 2014, 125 -126.)

Long Tail SEO strategy - is a strategy build around targeting keywords with much lower search volume but that combined generate substantial amount of monthly searches. Like if eve would rank for crowd sourced computer. Majority of searches conducted in search engines are long tail and they make up 70% of all the searches. (Justin Mares & Gabriel Weinberg, 2014, 127.)

In SEO strategy goal of online marketer is to rank as high in the search result as possible. Only 10 percent of search clicks occur outside of the first search results page. So in determining whether to follow certain SEO strategy it is first crucial to establish whether there is possibility to get to the first page of search results at all.

2.2.7 Email Marketing

Email marketing is one of the most effective marketing channels as it a very personal way to reach end user customer base. Email marketing starts with building the emailing list and for

that various traction channels mentioned in previous sections can be used. Typically, users need to be either interested or incentivized to leave their email address to the company. Also popular way to gather emails is to hold an on-line seminar talking about target user problems and finding solutions for them. (Jay Baer, 2013, 50-63.)

2.2.8 Content Marketing

Is a way to get users by writing relevant and interesting content on company's blog. It is an approach widely used by companies nowadays to attract customers by being helpful. Sound content marketing strategy brings very loyal brand following. (Jay Baer, 2013, 15-23.)

2.3 Online marketing campaign process

Marketing campaign is the key event of every major marketing operation. Marketing campaign is a set of activities targeted to promote an offering or brand. Online marketing campaign is a type of a marketing campaign that is conducted online. Online marketing campaign generally goes through a certain process. (Ryan Holiday, 2014, 25- 45; Kotler & Keller, 2015, 579-591.)

1. Setting up a campaign goal that is driven by the business needs
2. Defining offering being promoted in the campaign
3. Defining target audience for the campaign
4. Selecting online marketing communication channels
5. Developing campaign content
6. Execution
7. Measuring results and performance of the campaign

2.3.1 Setting up the goal

Online marketing campaign starts with setting up a goal that needs to be achieved. The needs are commonly defined by business targets that organisations as a whole have and that are bigger part of a strategy such as increase sales in certain product category. Goal needs to be defined as specifically and as tangibly as possible in order to establish steps needed to reach the goal and to be able to later understand the performance of the campaign. Generally goals are link to either a business outcome such as increased revenue or more specific online marketing

outcomes such as increase in traffic, the amount of people that visited the website during the campaign. (Kotler & Keller, 2015, 74.)

2.3.2 Defining offering being promoted in the campaign

After the campaign goal has been set the offering is defined. In this step marketers understand what it is exactly that is being promoted and what value proposition it has. As an example it can be a physical product or possibility to be among the first people to know when product is available promoted (Kotler & Keller, 2015, 289.)

2.3.3 Target audience

As outlined in section 2.2 choosing the target audience is important for marketing efforts to produce noticeable results. Target audience is selected according to principles outlined in section 2.2 which are essentially answering the question: “What is the customer segment that presents the best business opportunity”. Target audience needs to be kept in mind of the marketer throughout the whole process especially when selecting channels and developing campaign’s key messaging. (Kotler & Keller, 2015, 286-289.)

2.3.4 Carrying out the website audit and establishing the baseline

Results of online marketing campaigns are not always easy to measure as very often increase in website traffic or sales can be driven by other sources than the marketing campaign. For example, a big scandal could cause massive increase in website visitors and in case if there was a marketing campaign running in parallel it would be hard to understand which actioned brought more website visitors. Therefore, it is essential to measure online campaign performance and distinguish it from other activities. The first step that needs to be taken is measurement of the current website visitors, social media followers, sales or other business goal performance and establishment of a baseline that will be used to judge the performance of a campaign. (Olivier Blanchard, 2011, 45-52.)

2.3.5 Selecting and testing marketing communication channels

The next step is about selecting the most efficient marketing communication channels that would reach the target user in the most cost efficient way. Chapter 2.6 provides a list of online marketing channels considered. Selection of traction channel is often a process of conducting tests and seeing which channel meets the goal the best. Most of the marketing teams start this

process by first having an internal team workshop in which most promising communications channels are identified. After selecting 2-4 channels test with small budgets should be conducted. After tests have been run, researcher can see how target audience has reacted and what the initial response has been. In case if there was no vivid engagement from the end users it means that there are better traction channels for your product. Once the traction channel has been depleted then it is time to switch to another channel that could result in traction.

It is important to notice that as start-up companies are going through various traction channels change. Some of them become oversaturated others simply aren't impactful enough.

When selecting traction channels key questions marketers look answer for are: (Justin Mares & Gabriel Weinberg, 2014, 10-15.)

- ▽ How much acquiring customer costs through this strategy?
- ▽ How many customers are available with such a strategy?
- ▽ How well those customers convert
- ▽ How long does acquisition of customer take?

2.3.6 Measuring results

After series of tests have been conducted results are carefully measured. First step is to identify what data is relevant and which is not. Important goal is to measure items that are important and are related to the earlier set up business goal. Typically online marketers measure the number of website visitors, clicks on ads, and increase in social media followers. As technology of measurement is very sophisticated nowadays the challenge that an online marketer may face is having too many metrics to follow and as a result not being able to draw any meaningful data from them. Therefore it is recommended to start with objectives and going backwards to define the metrics that support these objectives. Measurement metrics are also quite specific to the online marketing channel selected. For example in case of viral strategy used it is important to measure the amount of invites sent per user and the conversion rates they have while in display ads number of ad clicks and the conversion rate are leading metrics (Oliver Blanchard, 2011, 197)

3 Research Methodology

This section describes the methodology used for this research and provides justification for selecting action research method. This section starts by telling about action research later explaining why it was selected and going further in depth on how research was conducted.

3.1 Action Research

Action research is a democratic process conducted by and for those taking the action with the goal of developing practical knowledge. It is action research is an analysis process in which behavioral science knowledge is unified with established organizational knowledge and applied to solve real organizational problems. Action research focuses on both solving a problem and creating new knowledge from collaboration between client and researcher. Researcher and client go through planning, taking action and evaluation of the results. (Coghlan & McAuliffe, 2003.) There are certain broad properties that define action research:

- ▽ Key focus of the research is in action rather than about action. Action research utilizes scientific research to study complex social or organizational issues together with those who are involved in the issue directly. Additionally action researchers actively take part in the action on contrary to observing something happening.
- ▽ Action research occur simultaneously with action and aims to improve the efficiency of that action and at the same time establish body of scientific knowledge in other words action research consists of two goals, provide solution to a problem and contribute to science.
- ▽ It is a sequential problem solving approach that consists of iterative cycles of collecting data, providing it back to relevant stakeholders, analyzing the data, planning action, taking and evaluating action and repeating the cycle.
- ▽ Action research can use of all the data gathering methods such as qualitative and quantities tools, etc.
- ▽ Action research requires a holistic approach from researcher and requires good understanding of corporate environment
- ▽ Action research is held real time and it is a live evolving case study (Kleiner and Roth, 1997, 172).

To sum it up one of the primary reasons for engaging in action research is to help the “actor” to improve or refine his or her actions. (Shani and Pasmore 2010, 439; David Coghlan & Teresa Brannick 2009, 3-11, 14.)

3.1.1 Action Research cycles

In the traditional form action research is composed from pre-step and three key activities that are carried out multiple times during the project: diagnosing and planning, action and fact finding as can be seen in figure 1. Below you can see each of the activities broken down into more details. (David Coghlan & Teresa Brannick 2009, 22.)

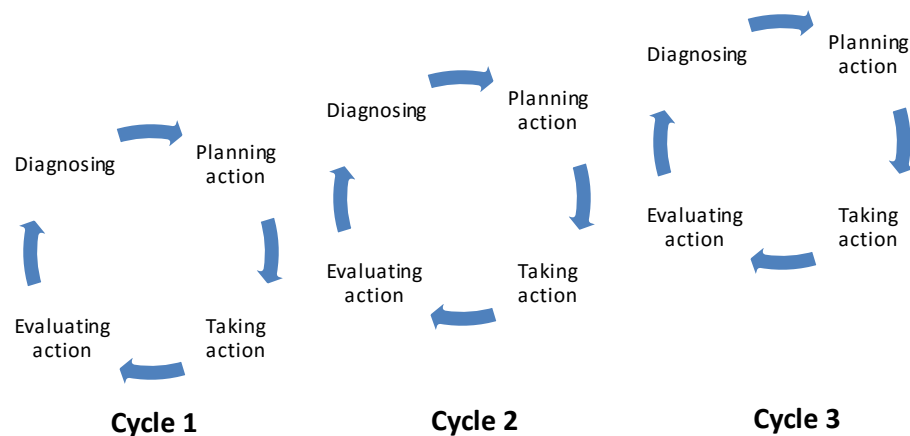


Figure 1. Action research cycles

- ▽ **Context and purpose.** Action research begins by understanding the context and importance of the project.
- ▽ **Diagnosing.** During this activity key issues on basis of which action will be planned and taken out are defined.
- ▽ **Planning action.** Planning is derived from context and purpose of the project and diagnosing of the issue.
- ▽ **Action.** Implementing plans created during the previous activity.
- ▽ **Evaluating action.** The goal of this activity is to examine whether the original diagnosis was correct, whether the proper action has been taken in correct manner and what needs to go to the next cycle of activities.

Action research consists not only of the activities above but also from reflecting on the content, process and premise issues. (David Coghlan & Teresa Brannick 2009, 30.)

3.2 Research Design

According to Coghlan & Teresa Brannick (2009, 14) action research requires holistic understanding of the organization and its environment as well as researcher's interest and competence on the subject. In addition there must be a relevant need for change in the organization for the research to be carried out. The need can be coming either from external environment such as global market demand or from internal environment such as funding gaps, missed sales goals, etc.

As a marketing executive in the case company I have a good understanding of overall organizational processes and goals. Action research is the most effective solution in this case as in order to be able to understand what are the most effective online communication channels for Eve Tech therefore answering the research question it is necessary to conduct series of tests that would allow to understand the efficiency of each of the selected communication channels.

Figure 2 illustrates research structure in detail. On the left you can see the phases through which action research is conducted starting with context and purpose of the project as outlined in the previous chapter. In the context stage of the project current business situation is analyzed and business goals and needs are established. During next stage of the action research key issues are diagnosed action plan will be built upon them. At this stage deeper analysis of already available data is carried out as well. In Eve's case it target audience is researched and understood, offering that is being promoted is defined and performance baseline is established. During the 3rd stage of the action research action plan is developed in which after considering all of the background data most attractive marketing channels are selected and action and measurement plan is developed. In the next stage the plan is executed and as a result tests of 3 different marketing channels are carried out. During the last phase of the research results are evaluated and conclusions are drawn.

According to the best practices of the action research all of the researcher actions were carefully documented in a journal and are described in section 4 of this thesis.



Figure 2. Research design and thesis structure

3.3 Data collection

Different phases of the action research require different data. For the need and analyze part of this project most data has been collected in the Eve management team workshop. The discussion has been carefully documented and later used as a basis to get more data from Eve's IT systems. For instance the target audience was discussed in the workshop and then later further analyzed using Facebook target audience insights tool. All of the Eve's staff was willing to collaborate on this project.

All of the data needed for online marketing channel testing has been collected from 3 main sources

1. **Google Analytics** – a free tool developed by Google and used by most of the websites nowadays to track the amount of visitors, conversion rates and overall performance of the webpage. It provides very precise information on the website performance as the JavaScript tracking code is directly implemented into the website. (Google, 2016)
2. **SimilarWeb** – Is another comprehensive analysis tool that allows to measure performance of any webpage. It is designed to create competitive marketing strategies. Similar Web is used by organizations of all size and tech giants including Google, Microsoft, Tesla and others (SimilarWeb, 2016)
3. **Facebook audience insights** – Is an online tracking tool that allows to conduct comprehensive analysis of the audience using Facebook and segmented by various traits such as demographic, psychographic, etc. The data is based on 1 billion active users that Facebook has. (Facebook, 2016)

The data was collected using the tools described above and later printouts from the system were made and analyzed. For different marketing channel tests various duration of the monitoring was used as various marketing channels take different amounts of time to bring results. All of the tests have been conducted at different times during the month to ensure that the data in Google Analytics and SimilarWeb wouldn't mix up.

4 Results

This chapter presents results of the action research conducted. The results are presented in sequential order as mentioned in section 3.2. This chapter starts with defining the importance of the problem that organization faces. Later it goes into the analysis of needs. Next is planning of actions and their execution.

4.1 Business need and goal

Eve is entering its second year of operation. Its previous product Eve T1, 8 inch good value Windows has been well received and served as a valuable learning experience for Eve's team. Currently Eve is developing its next device codename "Pyramid Flipper" crowd-building with users in their online community. As Eve is preparing for Pyramid Flipper launch marketing will be a key to the development of brand and product awareness as well as growth of customer base.

Currently Eve is preparing the launch of its next device. Eve's goal is to run successful crowdfunding campaign. In order to succeed Eve needs to build a sizable list of 20,000 subscribers to its newsletter. In order to be able to build up a list of such size Eve needs to attract more visitors to their website

In case if Eve will not be able to increase the amount of visitors to its website then it risks not to be able to get sufficient amount of preorders for crowdfunding to succeed. To succeed Eve needs to sell at least 400 devices in the first day of crowdfunding. Eve's management team have used electronics industry average conversion rate of 2% to establish 20,000 subscribers goal. My main goal as an action researcher is to find the channel that would provide the best source of website traffic. The flow for this phase can be seen in Figure 3.

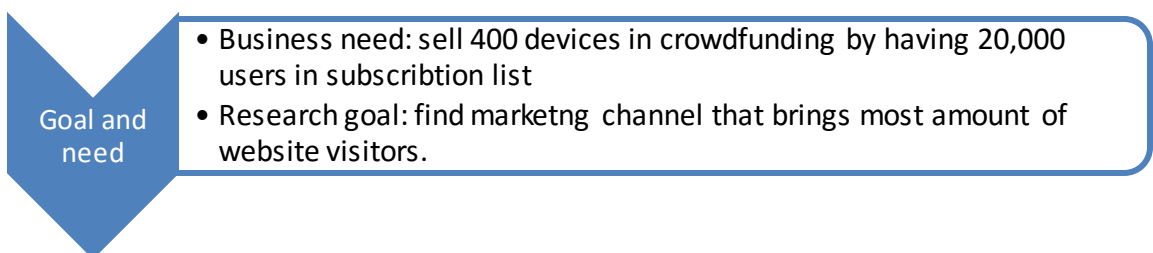


Figure 3. Goal and need phase content

4.2 Analyze

“Analyze” is the second phase of the research in which all of the baseline information needed to achieve the goal and plan the action was discovered and documented. The main goals for “Analyze” phase have been outlined in figure 4 which include understanding the current market situation, target audience for the campaign, offering promoted. Also the current performance baseline was established. Most of the data was collected from series of the workshops, previous marketing documentation and verified with tools described in section 3.3 of this thesis.

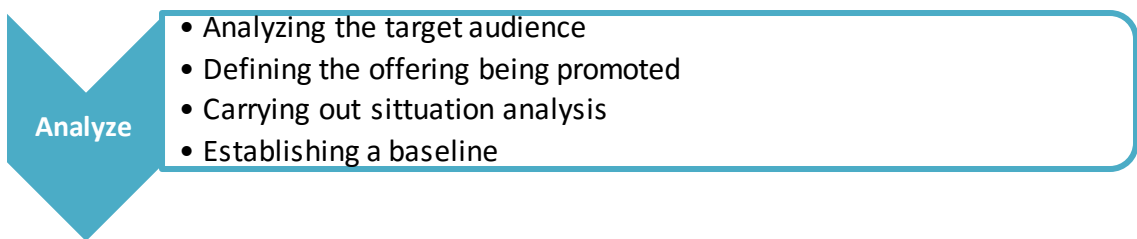


Figure 4. Analyze phase content

4.2.1 Market summary and target audience

Eve Tech possesses good information about the market and knows a great deal about the common attributes of the key customer segment as Eve was able to deeply study target customers in their community as well as it has a management team consisting of people representing their core audience. This information will be leveraged to better understand who is served, what their specific needs are, and how Eve can better communicate with them. Eve distinguishes 2 key target markets for its offering all of which are mentioned below:

Target Markets

- ▽ Tech Early Adopters, people who enjoy buying latest technology
- ▽ Smart Buyers/ Deal Hunters, people who enjoy finding best value products

4.2.2 Market segmentation

Eve has segmented its target market by demographics and behavioral factors. This section covers Eve’s target audience.

Market Demographics

The profile for typical eve customer consists of the following geographic, demographic, and behavior factors:

Geographic's

- ▽ Eve has no set geographic target area. By leveraging their online-only sales channel and advanced fulfillment center, Eve can serve both domestic and international customers. Despite Eve's wide reach potential Eve focuses its marketing efforts on Scandinavia and English speaking population of EU as well as US. Eve is also considering emerging markets such as China and India.
- ▽ Total approximate targeted population is 250 million users

Demographics

- ▽ 85%-90% are male rest are female
- ▽ Biggest age group is 25-34-year-old males as can be seen from table 1, second biggest are teenagers and young adults from 18-24. Tech early adopters are concentrated in the age group from 18 to 34. Same goes for other target markets.

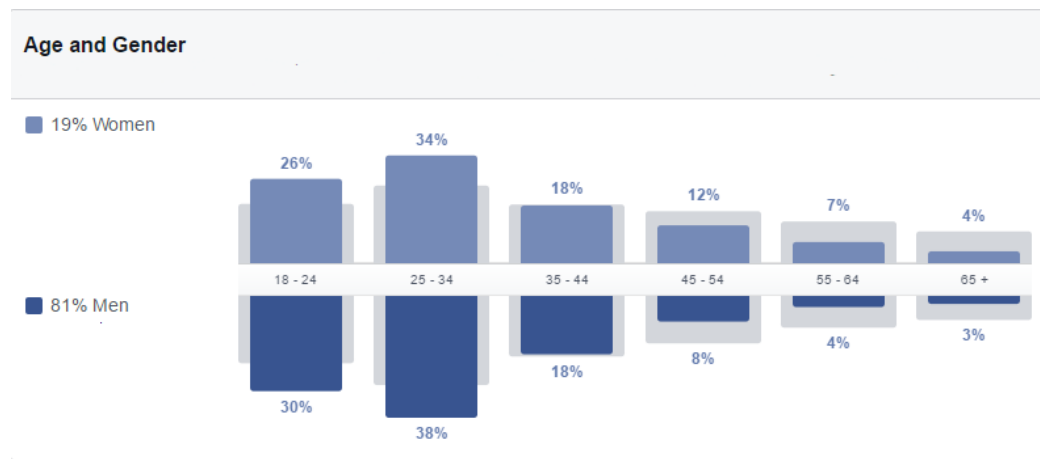


Figure 5. Age and gender

- ▽ 65% of the target Audience is having college education and 21% High School education

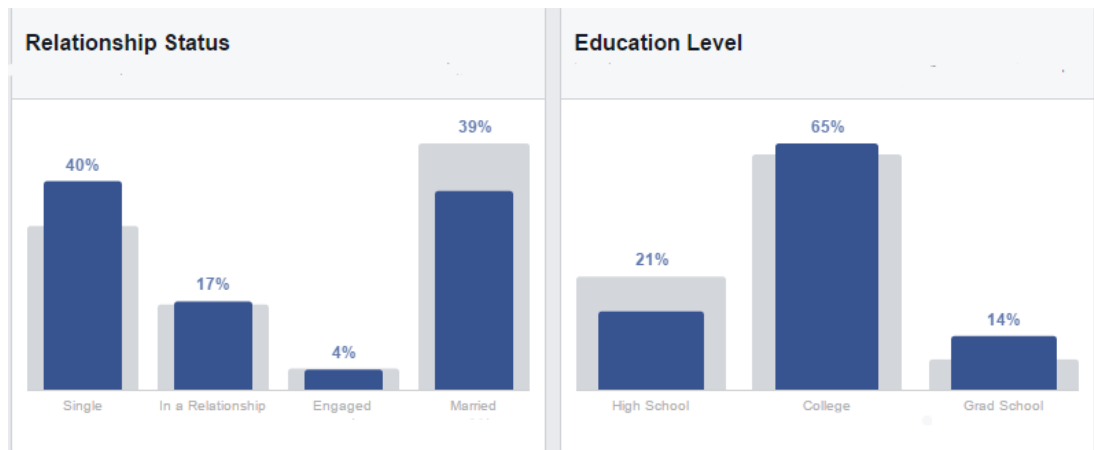


Figure 6. Relationship status and education level

- ▽ Majority of target Audience has median income of 40,000-80,000 USD and is either belonging to apple Pie families, Solid Single parents or career builders as indicated in table 3. All of those lifestyles suggest relatively higher resources than those their peers
- ▽ Users are likely to be knowledge workers that are very likely to be involved in the IT, Administrative, arts, management or sales roles. Typical roles are: software developers, game developers, project managers, architects, etc.

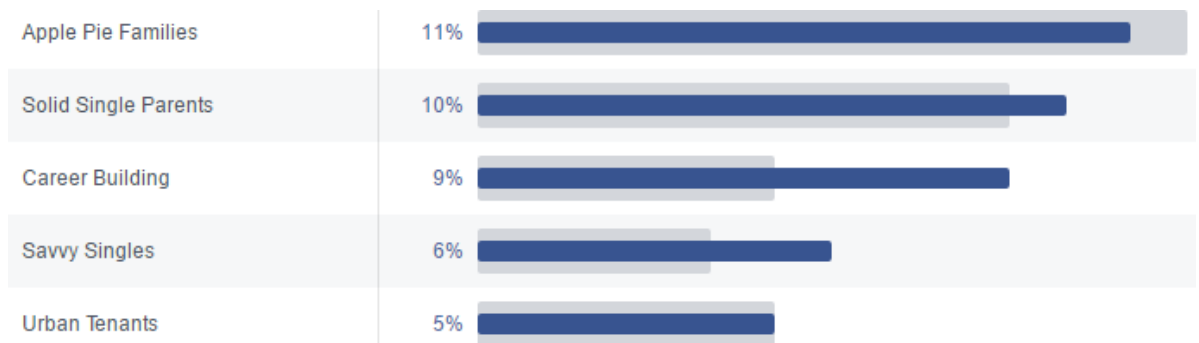


Figure 7. Income levels

Behavior Factors

- ▽ Users use latest gadgets as a social currency as they want to
 - Be perceived/ associated as people who are following latest tech trends
 - Use tech to elevate their social status
- ▽ Users follow latest news coverage of their favorite tech categories and make sure to share it with their peers
- ▽ Like to be helpful to their less techy savvy peers

- ▽ Play a role of influencers for purchasing decisions of their less techy savvy peers
- ▽ View tech as a hobby
- ▽ Users know what exact product specification they need
- ▽ Users are very affected by reputable Tech Media and Influencers
- ▽ Research heavily before making purchasing decision

Eve also segments its customers by VALS Psychographic Types. Eve targets 3 main psychographic segments as can be seen in the table below: (VALS, 2016)

Segment	Lifestyle Characteristics	Psychological Characteristics	Consumer Characteristics
Innovators	Successful, sophisticated Value personal growth Wide intellectual interests Varied leisure activities Well informed, concerned with social issues Highly social Politically very active	Optimistic Self-confident Involved Outgoing Growth oriented Open to change <established & emerging leaders in business & government>	Enjoy the "finer things" Receptive to new products, technologies, distribution. Skeptical of advertising Frequent readers of a wide variety of publications Light TV viewers
Experiencers	Like the new, off-beat, and risky Like exercise, socializing, sports, and outdoors Concerned about image Uncomforting, but admire wealth, power, and fame	Extraverted Unconventional Active Impetuous Energetic Enthusiastic and impulsive	Follow fashion and fads Spend much of disposable income on socializing Buy on impulse Attend to advertising Listen to rock music

	Politically apathetic		
Makers	Enjoy outdoors Prefer "hands on" activities Spend leisure with family and close friends Avoid joining organizations except unions Distrust politicians, foreigners, and big business	Practical Self-sufficient Constructive Committed Satisfied	Shop for comfort, durability, value Unimpressed by luxuries Buy the basics Listen to radio Read auto, home mechanics, fishing, outdoors magazines

Figure 8. Behavioral segmentation (VALS, 2016)

4.2.3 Market Needs and Eve's offering

This section discusses key value proposition that Eve currently offers to its end users. Section starts with needs that target users have and goes to the actual solution that Eve provides to satisfy those needs.

Market needs

Eve is providing people passionate about tech with outstanding value electronics. Electronics that possess all of the properties of the premium product segment but come at a mainstream price. As a lighthouse identity brand with strong ideological foundations, Eve as a company is trying to solve the following problems in the industry.

- ▽ **Overpriced** devices due to the inefficient distribution channels. Retailers and all sorts of middle man add up to 200% on top of the original manufacturer's price cumulatively.
- ▽ **Products neither Delight nor Impress.** Electronics are full of obvious flaws and are poorly designed in the vacuum due to high "NDA environment" of this industry.
- ▽ **Brands are not transparent** enough to their customers and pre-load their devices with bloatware.

Eve provides the following solution to the above mentioned problems therefore satisfying market needs.

1. Products developed by the end users

All of Eve's products are designed to fit certain market need and "explode" minds of target audience as they are developed by our target audience from day one. Because of that our devices match tastes of our end users as they have no Air Value and extra stuff in them.

2. Substantially better value at much lower price

We have far below industry average distribution and marketing channel costs. From day 1 we structured our operations in the leanest and structurally most flexible way. On average 40% of device cost comes out of bulky distribution channel costs as well as traditional marketing expenses. On the contrary, Eve way is based on direct B2C sales as well as "Growth Hacker" marketing (refer to chapter 4-step process for more information), consequently our products come at a fraction of a cost compared to our competition.

3. Faster deployment time

Eve provides substantially faster deployment time of its products as it has flat organizational structure lean team and operates with online sales only model while selling only few products at a time. As a result, there is no risk of cannibalizing sales of current product lines by latest release and there is no need to flush over hoarded inventory

4. Transparent brand that is among people

Due to the nature of Eve's operations where the end users take part in the development Eve is very transparent about its team and operation to its target audience. Such relationship create strong sense of trust.

Eve's goal is to provide 2-in-1 Convertibles that are better designed, better performing and more affordable than those of their competition. This is the key strategy of Eve's differentiation.

Eve has selected 2-in-1 Convertibles market because of two main reasons:

5. It is one of the fastest growing markets in PC, Tablets and Smartphone market

6. It is less saturated and allows Eve to leverage its competitive advantages the most.

Eve is entering Windows ecosystem as it had previous experience with that OS and its target audience and also because it is an attractive entry point for Eve as demand for devices that both delight and impress is highest there.

Eve is not considering smartphone market as Windows smartphone sales are in decline and overall market is overly saturated. Also unlike 2-in-1 market smartphone market has devices offering similarly good value due to direct only sales.

As can be seen from table 3 2-in-1 market has the highest year to year growth and has no signs of major slowdowns

Another market trend is that people are willing to update their current Laptop/Pc to a new device that would be slimmer, lighter and allow to do more work on the go. Table 4 illustrates the main reason why it's the right time for consumers to switch and what are the main reasons behind that. Table below is more representative of a mainstream buyer rather than our early adopter customer segment. But it outlines good reasons why users tend to look for replacement for their current devices.

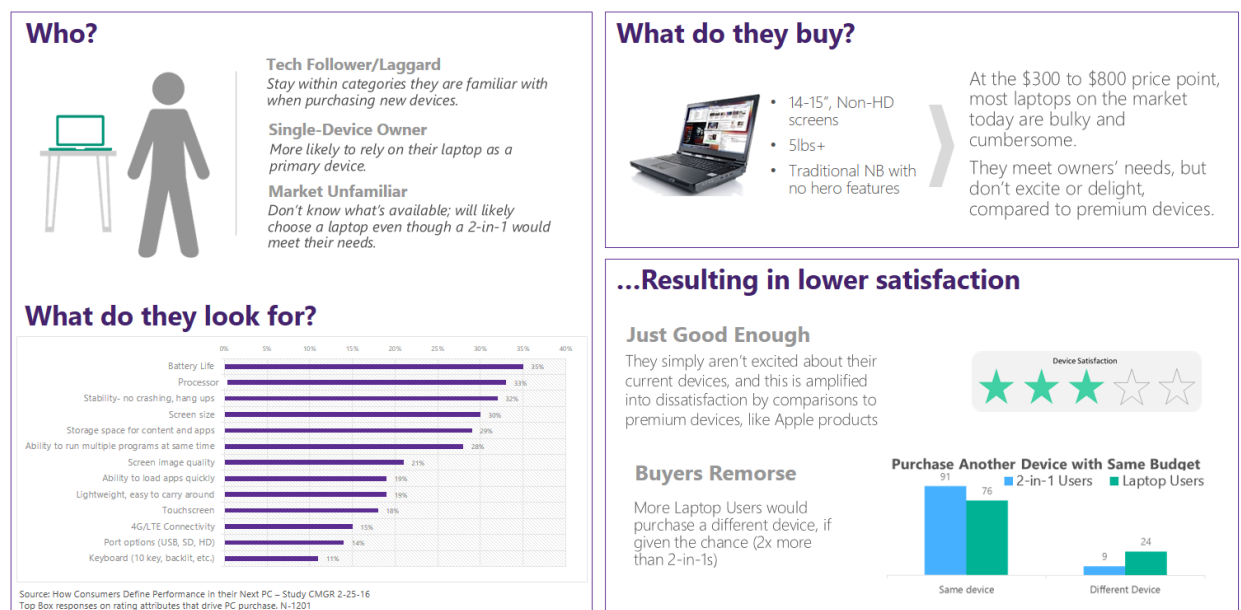


Figure 9. Consumer preferences (IDC, 2016.)

SWOT Analysis

The following SWOT analysis captures the key strength and weaknesses within the company and describes the opportunities and threads facing Eve

Strengths

- ▽ Strong price advantage due to direct only sales
- ▽ Product market fit integrated in the product due to crowd development
- ▽ Early market entry with pre-orders and flatter organizational structure
- ▽ Narrow focus on couple of projects at a time

Weaknesses

- ▽ Scarce resources and reliability on several products at a time
- ▽ At early stages reliance on external capital to grow the business
- ▽ Smaller potential market without long channel sales
- ▽ Difficulty of developing brand-awareness as a start-up company

Opportunities

- ▽ Participation within a growing industry
- ▽ Access to state of the art/premium components with scale
- ▽ Ability to leverage other industry participants' marketing efforts to help grow the general market
- ▽ Gaining substantial share of voice with target audience by grassroots marketing
- ▽ Great mouth to mouth marketing potential due to outstanding value of the product

Threads

- ▽ Future/potential competition from established market participants
- ▽ Over commoditization of technology products leading to competition based on price
- ▽ Completely new product form factor/technology making PCs, Laptops and tablets irrelevant

Competition

Eve tech does compete with some of the big mainstream brands such as Samsung, Lenovo and Microsoft. Competitors are just starting to enter 2-in-1 convertibles market and their products are targeted to mainstream/business clients mainly. Eve on the contrary brings its cool brand to a completely different audience that would not like to be associated with the

abovementioned brands as those brands are the brands early adopters don't like to be associated with. Eve is able to compete on the grounds mentioned in the 2.1.2 section of this plan

Closer look at Eve's strategic differentiation

This section covers tells about Eve's ability to maintain its differentiation as it scales.

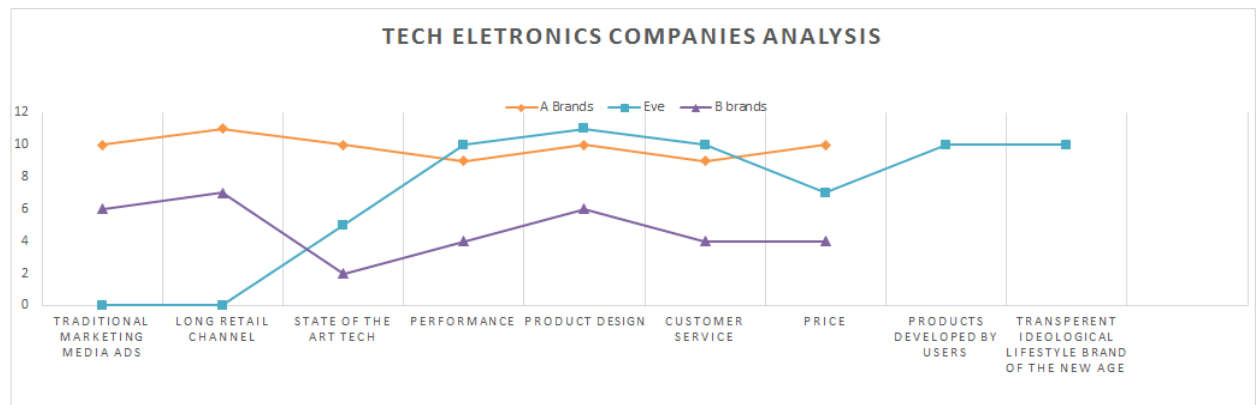


Figure 10. Eve's strategic differentiation

X axis represents different areas where market players invest the most and differentiate upon while Y axis represents size of the investment.

The Positioning Graph above illustrates Eve's differentiation and strategy. It provides a general look at consumer electronics industry (especially smartphone, PC and tablet market) and strategy used by its players, A brands (Microsoft, Apple, Lenovo, etc.) B brands (Local OEMs and private labels) and Eve.

For example, A-brands heavily invest in traditional marketing such as TV commercials, massive marketing campaigns, etc. In addition, they make substantial investments into the long retail channel by supporting retailers, distributors and providing competitive margins for selling their products. A brands also use state of the art technology as a differentiation in their marketing (such as curved 4k displays) that quite often don't add to device usability or performance.

A brands have made sure their devices have the required performance and design to justify their flagship pricing¹. Customer service provided by A brands is better than that of B brands

but is still well below other industries. As a result of their strategy and positioning A brands come at higher price.

B brands are providing around 30% cheaper local alternative to devices sold by the tech giants. B brands are in commodity market and focus on very low pricing, compromising on quality and performance. As you can see from the graph they have lower expenditures in marketing, distribution, state of the art tech, performance, design and customer service - everything. All those factors result in a lower price – in other terms, “cheap versions”. These are the devices people (in the developed countries) buy only to be given as a gift to others.

Eve’s unique strategy is represented by blue line on the graph. Unlike other players in the market Eve has almost no expenses on traditional marketing as traditional marketing is not very effective to Eve’s target audience also Eve eliminates traditional long channel sales selling online directly to consumer through its web store and various online sales platforms. Eve also spends less on state of the art tech than A brands, but substantially more than B brands. Eve products are on par with A brands on performance. Additionally, Eve invests more into product design and overall feel of the product. Eve also provides better customer service by investing more in it and having a community of like-minded users that help each other. Eve products come at a lower price point. Eve products on average are 30-40% less expensive than those of its competitors due to lower distribution and marketing costs as well as less expenditure on state of the art tech. In addition to differentiation on Eve devices are designed by its users and as a result they have product market fit in them as they are developed to match tastes of the target audience. In its communications, Eve is very transparent about everything it does. Eve is a challenger brand that has grounds for existence and wants to be a lifestyle brand for its target audience.

Product Offering

Eve tech is now developing its main product, a 2-in-1 Windows tablet, codename Pyramid Flipper, with premium features that is coming at a mainstream price. Device is created for people on the move and the ones who want to get the most out of latest Windows 10 OS. Product is designed at Eve.Community by the end users and is expected to launch in Summer through crowdfunding campaign. Eve’s next product will also come with accessories that would provide good contribution to Eve’s gross profits.

Eve’s marketing and brand Strategy

Eve's marketing and brand strategy can be summarized in the table below that describes Eve's target markets, positioning and key brand promises.

Words we own:

Design by users

Sandbox and Brand Promises:

Who/Where (core customers)*	What (Products and Services)	BRAND PROMISES	KPI's
Tech early adopters and Windows enthusiasts who want to stay ahead of the curve and can be found on Techcrunch, Quora, Reddit, Windows Phone Central. People who know what they want from device.	Flagship killer devices designed by <i>users</i> for <i>users</i>	1. Flagship Killer 2. Inclusion 3. Transparency	1. 30%-40% lower price than flagships with same or better quality, performance, design 2. Major Specs voted in the community 3. Surveys

Differentiating Activities (3 – 5 how's):

1. Narrow focus as only few products are developed at a time
2. Direct only sales with preorders, holding minimum stock
3. Product development by users embedding product-market-fit in the product
4. Being transparent with users and outsourcing customer support and content creation to them

Underlying Advantage:

1. 2x cheaper price with direct only sales

4.2.4 Campaign key communications

The message that Eve will seek to communicate is that it offers first-ever crowd developed premium built devices at a flagship killer price. It will ask users to join to the newsletter to know when the device becomes available.

4.2.5 Establishing a baseline

In order to run successful marketing campaign and track the results it is essential to understand current performance of Eve's website. Similar web has been used to get insights on current performance of Eve's website. Website traffic has been a leading metric. Using Similar Web online tool, I was able to find Eve's website performance over 3 months. Eve uses 2 domains eve.community and eve-tech.com for its operations therefore both of the domains have been used for establishing the baseline. As you can see in figure 11 eve.community (pink) has more visitors per month comparing to eve-tech.com (blue). Both of the websites have been experiencing a steady increase in traffic over 3 months. Together eve-tech.com and eve.community have 15,000 monthly visitors with an increase in visitors in April totaling 19 thousand visitors.

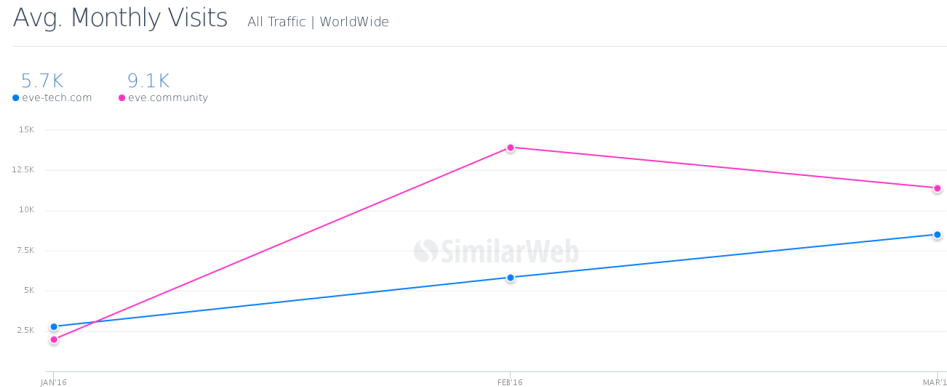


Figure 11. Average monthly visits

As we can see in the figure 12 in March average amount of daily visitors on both websites combined was around 400.

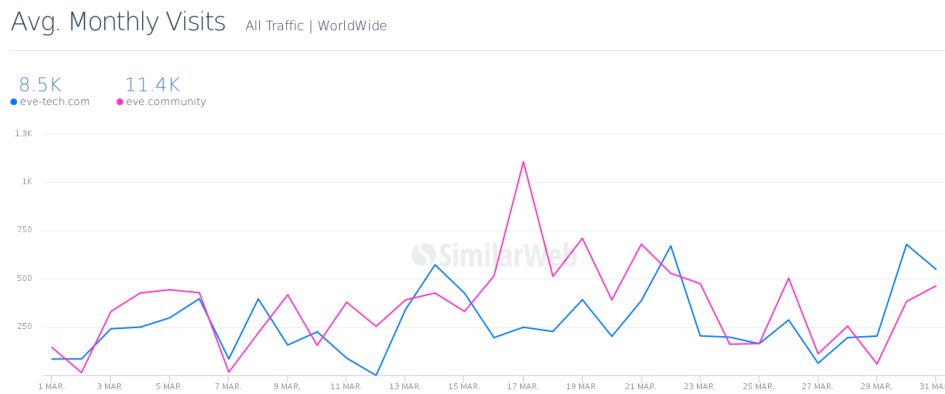


Figure 12. daily website visitors in March

As a result I will be conclusion tests against the baseline of 400 visitors a moth on both web-sites and my goal would be to find the channel that increases this number in the most effective way.

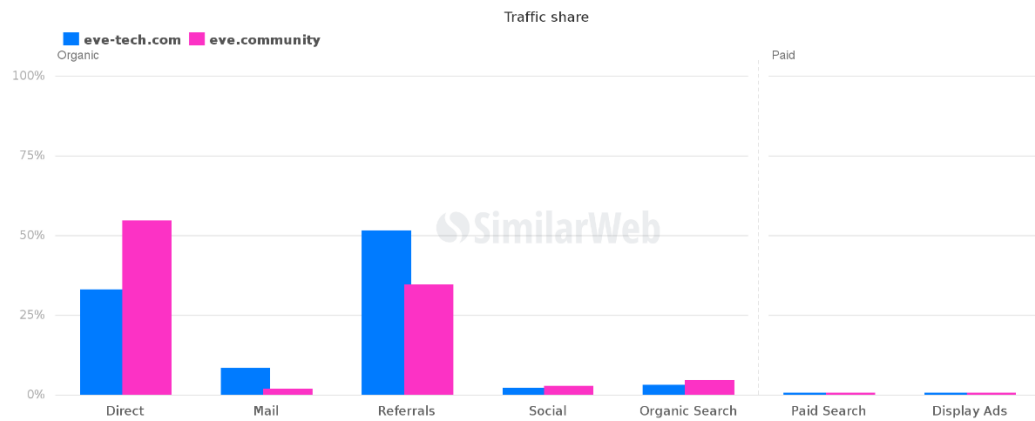


Figure 13. Traffic sources

Most of the traffic for both entities came from Referrals and direct traffic as can be seen in figure 13. Referral traffic includes other websites or any case in which a user would have clicked a link from other source to come to Eve's Website. As for the direct traffic it means that some users are entering Eve's website address directly into their browser navigation bar.

4.3 Plan

The “Plan” phase of the action research was conducted taking into the consideration all of the information gathered during “Analyze” step outlined in section 4.2. During the “Plan” phase marketing channels are selected and series of tests to be conducted is planned out. As you can see in figure 14 the key goals of “Plan” stage are selecting marketing channels and planning action

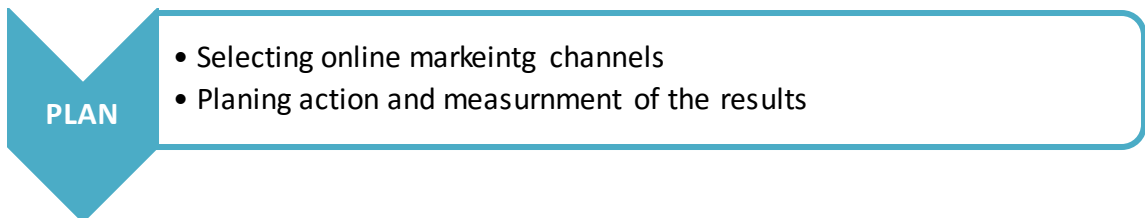


Figure 14. Plan phase flow

4.3.1 Selecting online marketing channels

There are a lot of potential marketing channels as outlined in in section 2.6 of this thesis. Conducting test in all of them would be outside of the scope of this thesis as well as the budget. As a result, 3 online marketing channels have been selected in order to establish which one produced the best results. Potential marketing channels have been selected in the marketing workshop with management team of Eve-Tech Oy. In the end of workshop Management team came to conclusion that they wanted to test out:

- ▽ PR
- ▽ Viral Online contest as channels
- ▽ Facebook Ads

Decision management team has taken was not surprising as marketing channels above are very popular among start-ups and organizations with limited marketing budget. Also marketing channels selected were fairly simply to track using tools available for his research.

4.3.2 Developing action plan

After test marketing channels have been selected the Next step was to develop a plan to test those channels in the most effective manner and in the shortest period of time as some marketing campaigns take years to see results from. All of the 3 selected channels require specific approach as a result I had to create a separate action plan for each channel. The strategies I have selected for the marketing channels were:

▽ **PR**

1. Select the press outlet most popular among Eve's target audience
2. Craft a press pitch that would interest the reporter
3. Get covered and observe the results

▽ **Facebook Ads**

1. Create a copy and image for the ad
2. Select the target audience and budget
3. Track its performance

▽ **Viral online contest**

1. Decide the price for the contest
2. Design the contest
3. Select the platform to run it with
4. Run it and track the results in Similar Web

4.4 Execute

This section describes my actions regarding 3 online marketing channels in depth. In this section I cover in detail what has been done in order to test online marketing channels and the results of each test were. This section talks about each channel separately. As it can be seen in figure 15 PR, Facebook Ads and Viral Contest were the channels tested

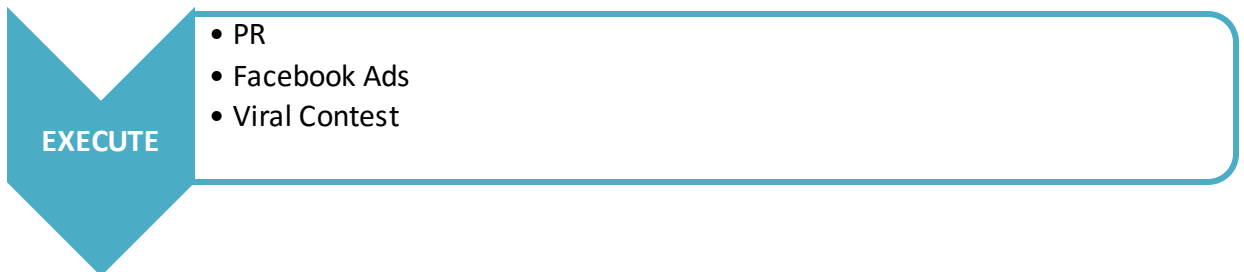


Figure 15. Execute phase flow

4.4.1 PR

As described in section 2.6 PR is a way of increasing exposure for the client for free. In order to get PR exposure marketer needs to pitch company's story to certain press outlet and if journalist finds it interesting the story will be published. Creating a PR push consists of a number of steps starting with creation of a story for press to cover. Story has to be interesting to targeted media readers in order for it to create necessary exposure. In order to create a story for press also known as a press pitch we have made a small workshop where management team members including me discussed best angle that can be taken for press based on their past experiences. As a result, the following story in attachment 1 of this thesis was created and send out to the press that have covered Eve previously.

The idea behind this story was to have a very short and targeted email that would describe Eve briefly and increase readers interest so that he or she would respond and create a story based on it. You can find actual press pitch in attachment 1 of this thesis.

Next step was to select medias that Eve wanted to be mentioned in. The target media has been selected by size and relevance of readers. I have targeted media that covers everything related to Windows and tech gadgets as those are the topics of interest of Eve's target audience.

The press pitch illustrated in attachment 1 of this thesis was sent out to a manually created media list. As an action researcher and marketing executive in the company I had the biggest

hopes for Windows Central magazine to cover Eve as it has the most relevant audience and story profile. The story has been pitched to WinBeta, WindowsCentral, Neowin, Thurrot.com, DigitalTrends and WinSuperSite.

4.4.2 Viral online contest

Creating a viral online contest is a popular way to reach a certain business goal in a short period of time as well as to spread the word of mouth. Viral online contest is part of Viral strategy outlined in section 2.6 of theoretic framework. The main idea behind viral contest is that users have a chance to win a product for free in exchange for spreading the word about company in social media networks.

Viral contest takes more time to set up then other channels tested in this study. Whole contest creation process can be split in multiple steps:

1. Select the prize to giveaway, agree on the key idea behind it, create contest rules and tasks that participants have to do in order to win
2. Select exciting online platform or build your own solution to run the contest
3. Create all of the required visual materials and landing pages

General idea behind the contest

At a time of my research Eve team has just partnered with Finnish accessories company Mozo accessories that is well known for its high quality cases for Windows phone. I saw this partnership as a brilliant opportunity to run a giveaway contest. I have suggested Eve management team to run a giveaway contest celebrating Eve's partnership with Mozo in which participants had a chance to win a Mozo case by doing certain tasks. Eve has brought this topic up with Mozo and both parties were happy to collaborate and try this idea out.

The contest was designed so that Eve would raffle 21 exclusive Mozo cases with Eve's logo on them. Anybody who wants to participate could join. In order to participate users had to accomplish certain tasks. The tasks were selected to get maximum exposure for both Eve and Mozo as well as growing the subscriber list and the amount of website traffic. Tasks outlined in figure below were requested from users to have a chance to win a case. The more task user did the more chances he or she had to win.

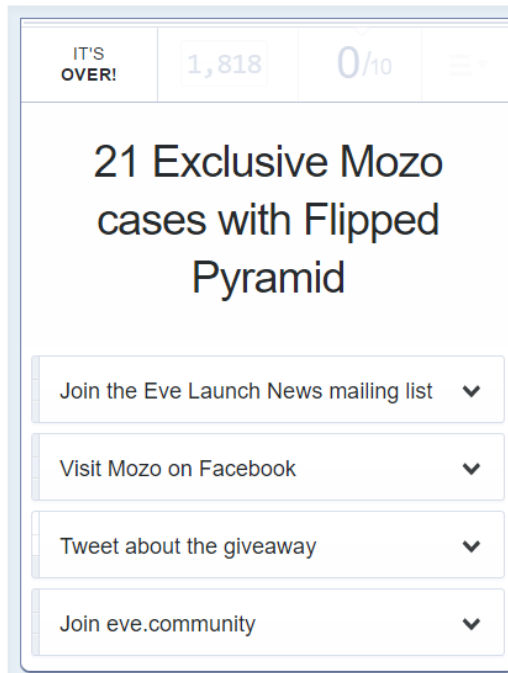


Figure 16. Giveaway contest rules

Selecting platform to run the contest

An online subscription based contest platform Rafflecopter.com was selected to run the contest. It was selected by Eve's management team recommendation as Eve was already paying for it. The tool is easy to use and it is implemented directly into client's website. From the tool itself client can set up tasks, rules, and all of the other things needed for the contest.

Creating key visuals, messaging and contest landing page

After a workshop between Eve and Mozo marketing teams the decision was taken to develop a separate landing page on which contest rules will be outlined and the Rafflecopter contest will be embedded. The key visuals, landing page and messaging can be seen on the picture below.



Eve partners with Mozo to provide best quality accessories for upcoming eve's "pyramid flipper" 2 in 1 device.



We give away 21 handcrafted mozo cases. Join the contest to win!

Design is as important as performance, but just a few brands get it. That's why we partner with people who share our vision.

Experience Mozo's passion for great design by participating in our contest in which you can win one of the 21 Microsoft Lumia cases by Mozo. Winners get to select cases from [here](#).

How to participate and win:

Accomplish two easy tasks:

1. Visit Mozo's Facebook page;
2. Subscribe to Eve's newsletter to know when "Pyramid Flipper" will launch;

To increase your odds, you can also:

- Tweet about our partnership;
- Join [eve.community](#) to help us develop the Pyramid Flipper;
- Invite your friends to participate. For each buddy you get better odds.

Winners will be selected randomly, the more tasks you accomplish the more entries you get to this contest.

IT'S OVER!	1,818	0/21	
------------	-------	------	--

21 Exclusive Mozo cases with Flipped Pyramid

This contest is no longer accepting entries.

GO TO HOMEPAGE >



© Eve technology. [Privacy Policy](#) [Terms of Use](#) [Refund Policy](#)

Figure 17. Contest landing page

The contest has been successfully executed in April and results are evaluated in section 4.5.

4.4.3 Facebook Ads

The third online marketing channel that Eve wanted to test was Facebook ads due to its popularity among similar sized companies. Facebook ad creation process begins by first creating a Facebook post copy and then setting up a budget on it and promoting it to the target audience. In case of Eve tech has decided to promote the contest described in section 4.4.2 in Facebook ad. As overall budget for this research has been quite high Eve requested to have a relatively lower budget on Facebook ads comparing to other tests.

Firstly a Facebook post promoting contest has been created. The post described the contest enough to get people interested and when it was designed Windows Phone users were kept in mind as they are main participants of the contest. The post shown in the picture below was created.

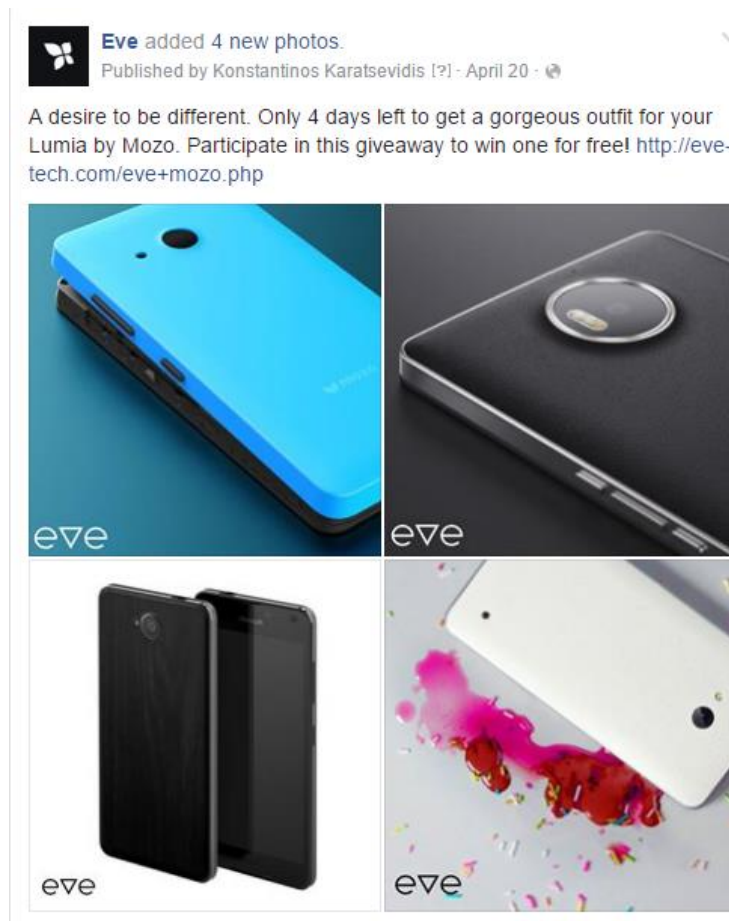


Figure 18. Facebook Ad

The above mentioned post has been then promoted to the Windows phone users using Facebook audience insights. I was able to usefully run the ad and receive useful information needed to answer the research problem.

4.5 Evaluate

In the “Evaluate” section of this thesis the performance of each channel is described and compared. The main tool used for this evaluation was Similar Web. Each channel was evaluated by looking into the data and seeing how many website visitors or subscribers came to the website because of the tested channel. During evaluation the ultimate goal of reaching more website visitors or subscriber was kept in mind.

4.5.1 PR evaluation

The PR push has resulted in a lot of positive coverage of Eve-tech. Most of the approached journalists have agreed to write a story about Eve-Tech. I was also able to get featured in Windows Central as planned. Picture below shows a part of Windows central article as an example of received press coverage. The whole story is available in the Windows Central article.

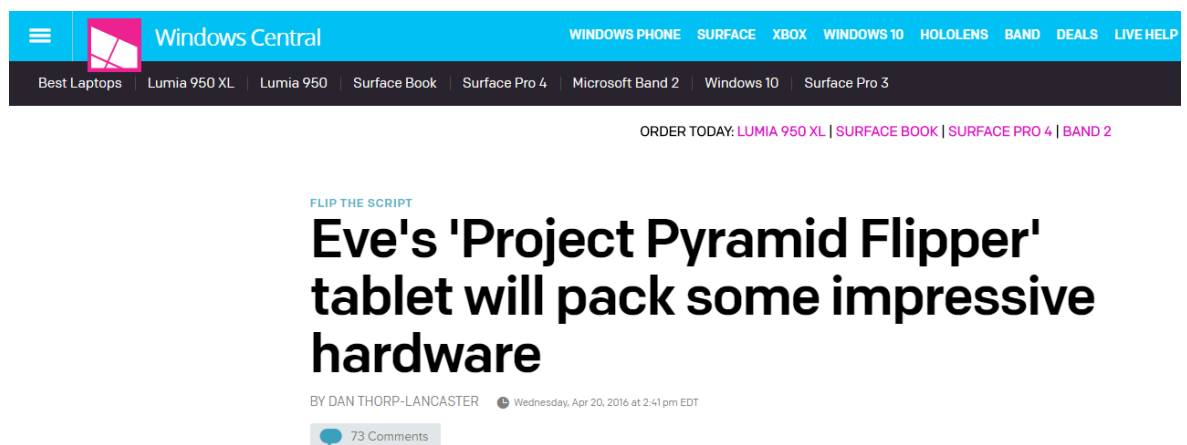


Figure 19. Windows Central Headline (Windows Central, 2016.)

But the key goal of this research was to find the most effective online marketing channel that would bring most users to Eve’s website. In order to understand the effectiveness of the press I have looked into the data provided by Similar Web. On the day when Windows Central article came out 20th of April 2016 and 2 following days, daily website traffic went to record high levels of 3,000 visitors a day and peaking at 4,500 visitors on 22nd of April. The article impact can be seen from figure below.

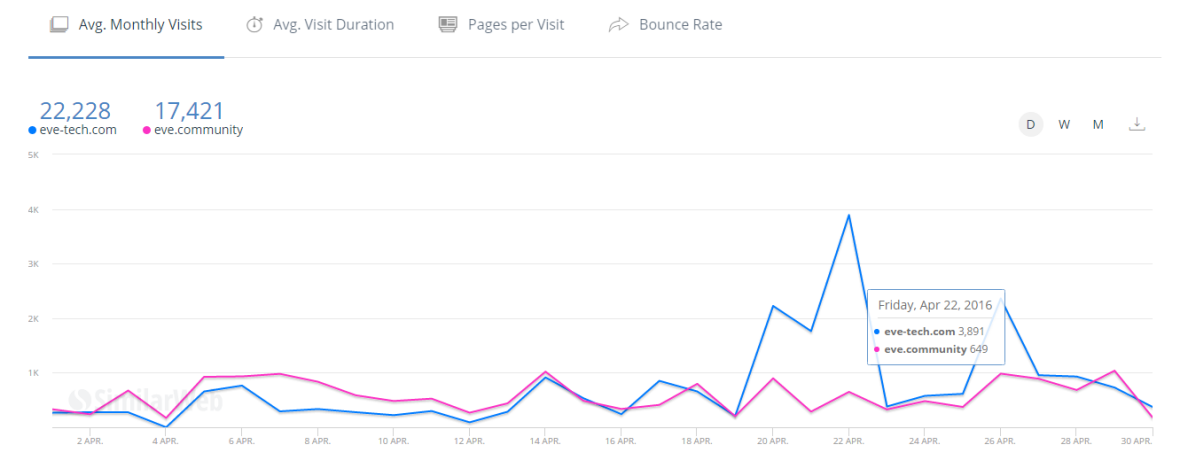


Figure 20. PR campaign effect

The traffic continued to decline as the effect from press coverage has dropped dramatically.

4.5.2 Viral contest evaluation

Viral contest has been started on 25th of April and lasted for 4 days till 29th of April. The performance of the contest was also tracked with Similar Web tool provided by Eve. Overall the contest has received 1,818 entries and over 500 people have participated. As a result if contest eve has received a 325 new subscribers to the newsletter and the website has experienced a substantial spike in traffic from typical 400 visitors a day to highs of 3,200 visitors on 26th of April as can be seen in figure below. I would like to notice that contest has performed especially well on the second day after launch and before it's ending.

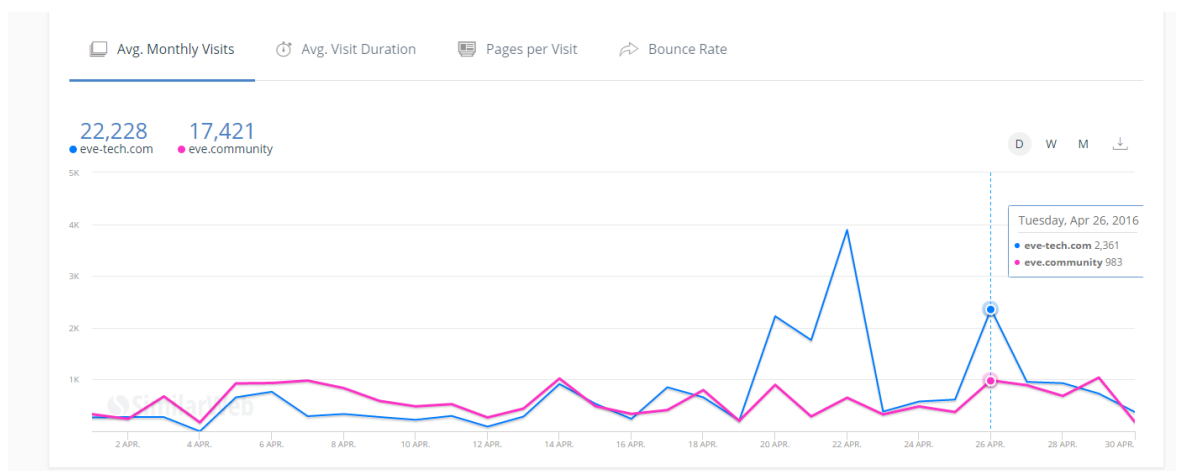


Figure 21. Online contest effect

Overall contest performance has exceeded Eve's expectations and has produced a healthy return for the amount of money and efforts put into it.

4.5.3 Facebook Ads evaluation

Facebook ads performance was tracked using Facebook's analytics. Performance of the Facebook ad was barely noticeable in Similar Web data as contest and press coverage have affected website traffic the most. Performance of the Facebook ad was evaluated based on the amount of website clicks it has generated for money spent. As it can be seen in figure ### taken directly from Facebook analytics the ad resulted in 162 website clicks with a cost of 0.37 Euro per click totaling 60 Euros.

<input type="checkbox"/>	Ad Set Name	Delivery	Results	Reach	Cost	Budget	Amount Spent
<input type="checkbox"/>	FI, GB, US - 18-35 eve-tech.com/eve+mazo.php - Website Clicks	Completed	162 Website Clicks	9,838	€0.37 Per Website Click	€20.00 Daily	€59.84

Figure 22. Facebook ad performance

The Facebook ad performance was not in line with Eve teams' expectations as it has only added 162 visitors over the time period of 4 days to the website. While other channels tested brought up to 4,500 visitors a day for free.

5 Conclusion

The goal of this action research was to find marketing channels for Eve-Tech that would get the most visitors to its website. In order to find the answer for the research problem series of marketing tests was conducted. This chapter summarizes the key findings of the research and provides marketing strategy suggestions to the case company Eve-Tech. The feedback of commissioning party is presented in the end of this chapter together with my personal learning.

5.1 Key Findings and Validity of Data

Overall from 3 online marketing channels tested, PR campaign had the best performance attracting massive amount of visitors to the website. On the contrary Facebook ads had delivered the least amount of visitors and was one of the most expensive channels to acquire website traffic. Last but not least, viral online contest performed slightly above expectations and seemed to have further boosted the effect that PR campaign had. Chapter 4.5 touches the topic of findings and their evaluation already and data described there is used as a basis for this chapter.

PR campaign had the most noticeable effect of all and it had increased daily amount of visitors from 400 to 4,500 on its peak days. PR campaign required some preparation and the most challenging part of it was the unpredictability of the results. Also there was no way to know if a certain media outlet would publish news about Eve before they actually appeared online. Also after getting covered in major niche media Eve has received a lot of coverage by bigger media that has picked up the story from niche media outlets. Overall PR campaign had a very long lasting and beneficial impact on Eve Tech's not only in website visitors but also brand awareness and creation of credibility that is so much needed for a young start-up.

Viral online contest has performed better than expected by commissioning party attracting 3,000 visitors a day during its peak days. The set-up of an online contest took the most effort comparing to other 2 channels. It required participation of both Eve's and Mozo's teams as well as a front end developer and a designer to create key visuals and landing page. Also the contest was relatively expensive in comparison to other channels tested as it required to pay for the international shipping of 21 cases.

While PR campaign had a very positive impact on Eve's brand. Online contest results were controversial. On the one hand online contest had generated a lot of visitors and most email subscribers. On the other hand, there were a lot of users in Eve's online community who did not like the incentivizing people to join the email list as Eve's initial brand evangelists joined for free out of passion and enthusiasm. Also the quality of the emails collected remains to be seen as people were incentivized to enter their email address to win so the quality of email subscribers joining the list out of interest for the price comparing to those who join out of pure passion might differ substantially. It will be possible to tell about quality of emails acquired once the crowdfunding campaign is started.

Facebook ad had the most disappointing performance in my and Eve-Tech's eyes. Nowadays social media advertising is talked about a lot and most of the industry influencers recommend to use social media as a marketing channel. In this research Facebook ad did not perform well comparing to other channels. The interesting fact is that Facebook ads that I ran had industry average performance, as it can be seen from Facebook data. What it essentially means for Eve Tech is that their competition is overinvesting in channels that don't necessarily bring best results. Commissioning party was very happy to test Facebook ads so that in Future they would not have to invest in them and focus on better performing channels. Also Facebook ads might have not performed well enough as Facebook is most used for socializing by its users therefore less pushy ads are needed.

To into the nutshell, I would like to say that PR campaign had the best performance from the standpoint of Eve as a company in general as it both generated most of the visitors and positive word of mouth. Moreover, it was totally free and the only cost incurred was the time taken by the marketer to handle send emails to press and create a compelling story.

5.2 Recommendations on improvement for Eve-Tech

Despite the fact that the marketing campaign had a great performance overall there is still plenty of room for improvement. Overall I would recommend Eve-tech to keep testing other online marketing channels mentioned in Chapter 2.6 of thesis in order to explore best growth drivers.

From the standpoint of this study it is clear that in order to get most visitors to the website PR channel works the best. I would recommend Eve Tech to try running PR campaign and viral contest at the same time in the future. The reason for that is that there is a chance to have amount of visitors multiplied. The way I would recommend to implement it is by including information about the contents into the press release. So that people who read story about Eve could also participate in a contest. This way contest would have way more people spreading the message.

As for the Facebook ads I would want to recommend not to rush with conclusions of the low performance of the post created. It might be a good idea to create more ads that would not generate the demand but rather harvest it. So it might be a good idea to create a Facebook ad campaign targeted to blend in to the user's interests and not selling anything directly.

5.3 Personal learning and the importance of results

I have had a chance to run an experienced marketing team during my research. As a result, I have learned a lot and this experience will definitely help me in shaping my career and following my passion in work.

Commissioning party has benefited from this research as well to a large extend. The total amount of website visitors has tripled during April when I was conducting my tests.

This research is also useful for any international tech start-up and other SMEs that don't have enough capital to use all of the marketing channels. By following my experiences as some action researcher readers would be able to understand how to properly test marketing channels and the select the best performing one.

Bibliography

Shani and Pasmore 2010, 439. Research in Organizational Change and Development

David Coghlan & Teresa Brannick 2009, 3. Doing action research in your own organisation. Second edition

Kleiner and Roth, 1997, 172. 'How to make experience your company's best teacher', Harvard Business Review, September-October

Artic Startup, 2016. Finland's Eve turns to crowd for new tablet. URL: <http://arcticstartup.com/article/finlands-eve-turns-to-crowd-for-new-tablet> Accessed: 13 April 2016

Coghlan & McAuliffe, 2003. Changing Healthcare Organisations. Dublin: Blackhall

Krishnaswami, O. & Satyaprasad, B. 2010. Business research methods.

Kotler & Keller, Marketing management 15e, 2015

Ryan Holiday, 2013. Trust Me, I'm Lying: Confessions of a Media Manipulator

Ryan Holiday, 2014. Growth Hacker Marketing

Andrew Chen, 2012, Growth Hacker Is the New VP Marketing.
URL: www.andrewchen.co/2012/04/27/how-to-be-a-growth-hacker-an-airbnb-craigslist-case-study Accessed: 22 March 2016

Geoffrey Moore, 2014. Crossing the chasm 3rd edition.

Eve-Tech Oy, 2016, About Us. URL:
<http://eve-tech.com/about/>

Eve-Tech Oy, 2016, Press. URL:

<http://eve-tech.com/press/>. Accessed: 13 March 2016

Olivier Blanchard, 2011. Social Media ROI: Managing and Measuring Social Media Efforts in Your Organization

Justin Mares & Gabriel Weinberg, 2014. Traction: A Start-up Guide to Getting Customers

Jonah Berger, 2013, Contagious: Why Things Catch On

Adam Morgan, 2009. Eating the Big Fish: How Challenger Brands Can Compete Against Brand Leaders

Jay Baer, 2013. Youtility: Why Smart Marketing Is about Help Not Hype

Tom Eslinger, 2014. Mobile Magic: The Saatchi and Saatchi Guide to Mobile Marketing and Design

Jobber, David and Ellis-Chadwick, Fiona, 2012. Principles and Practice of Marketing.

Dave Chaffey, 2012. Digital marketing: strategy, implementation and practice.

Facebook, Learn More About the People that Matter to Your Business with Facebook Audience Insights. URL: <https://www.facebook.com/business/news/audience-insights> Accessed: 10th Feb 2016

Google, Turn insights into action. URL: <https://www.google.com/analytics/> Accessed: 10th Feb 2016

SimilarWeb, We Analyze the Online World. URL: <https://www.similarweb.com/corp/about/> Accessed: 10th Feb 2016

VALS, US Framework and VALS™ Types. URL: <http://www.strategicbusinessinsights.com/vals/ustypes.shtml> Accessed: 10th Feb 2016

Windows Central, Eve's 'Project Pyramid Flipper' will pack Intel's upcoming Kaby Lake CPUs. URL: <http://www.windowcentral.com/eves-project-pyramid-flipper-will-pack-intels-upcoming-kaby-lake-cpus> Accessed: 20th April 2016

Attachments

Attachment 1. Press pitch

Re: New Windows 10 two-in-one is crowd-developed. Opinion of your readers needed! - Google Chrome

Microsoft Corporation [US] <https://outlook.office.com/owa/projection.aspx>

Reply all | Delete | Junk | ...

Hi Julian!

I have just read your article about Alcatel's Plus 10 and I felt real sad that big vendors continue to push terribly designed and actually overpriced devices to consumers. Our team is now creating a better alternative to the grey mass of devices that we saw in MWC!

We are a tech startup from Finland that is creating first-ever crowd developed Windows 10 two in one tablet, code-name "Pyramid Flipper" .

Yet another tablet by a small OEM? No!

What's so special?

1. Our device is 100% crowd developed by tech-savvy users like the ones who read Digital Trends they decide what spec, design and features device will have. Everyone in our industry thinks that users don't know what they want. We think differently!
2. Our device will come at a killer price tag with flagship specs and design. In our team we have guys from OnePlus, Xiaomi and Nokia who created amazing product before. OnePlus One, Nexus 7 and other Flagship-Killers are on resumes of our team. Expect nothing less than a flagship killer this time!

Specifications will be locked down in the End of March! There is still time for the readers of Digital Trends to join the development!

You can learn more about our device and project **below**:

Website: www.eve-tech.com

eve – Revolution starts with you.
eve – Revolution starts with you.
[Read more...](#)

Place where device is developed: <http://eve.community/>

I tried to stay as conscience as possible as I know you get a lot of pitches daily. If you have any questions I would be very happy to answer!